

FTC Consumer Alert

Federal Trade Commission ■ Bureau of Consumer Protection ■ Office of Consumer and Business Education

THE LOWDOWN ON CHAIN LETTERS

Everybody's received them — chain letters or email messages that promise a big return on a small investment. The promises include unprecedented good luck, mountains of recipes, or worse, huge financial rewards for sending as little as \$5 to someone on a list or making a telephone call.

The simplest chain letters contain a list of names and addresses, with instructions to send something — usually a small sum of money — to the person at the top of the list, remove that name from the list, and add your own name to the bottom of the list. Then, the instructions call for you to mail or email copies of the letter to a certain number of other people, along with the directions of how they should “continue the chain.”

The theory behind chain letters is that by the time your name gets to the top of the list, so many people will be involved that you'll be inundated with whatever the chain promises to deliver. One recently circulated email chain letter promised earnings of “\$50,000 or more within in the next 90 days of sending email.”

Whether you receive a chain letter by regular mail or email — especially one that involves money — the Federal Trade Commission reminds you that:

- Chain letters that involve money or valuable items and promise big returns are illegal. If you start one or send one on, you could be breaking the law.
- Chances are you will receive little or no money back on your “investment.” Despite the claims, a chain letter will never make you rich.
- Some chain letters try to win your confidence by claiming that they're legal, and even that they're endorsed by the government. Nothing is further from the truth.

The FTC works for the consumer to prevent fraudulent, deceptive and unfair business practices in the marketplace and to provide information to help consumers spot, stop and avoid them. To report a chain letter or chain email, call the FTC's Consumer Response Center, toll-free, 1-877-FTC-HELP (1-877-382-4357), visit the FTC at www.ftc.gov, or write: Federal Trade Commission, Consumer Response Center, 600 Pennsylvania Avenue NW, Washington, DC 20580. The FTC enters Internet, telemarketing, and other fraud-related complaints into **Consumer Sentinel**, a secure, online database available to hundreds of civil and criminal law enforcement agencies worldwide.

The U.S. Postal Inspection Service also offers information about chain letters at www.framed.usps.com/postalinspectors/chainlet.htm. Or you can call the Postal Inspection Service toll-free at 1-888-877-7644.